

October 31, 2017

The Honorable Heidi Heitkamp
228 Federal Building
220 East Rosser Avenue
Bismarck, ND 58501

Dear Sen. Heitkamp,

We commend you for introducing legislation to extend the moratorium on the Health Insurance Tax (HIT) for two years. Your introduction of S. 1978, the *Small Business and Family Health Tax Relief Act of 2017* is an important step in protecting North Dakota businesses and families from the return of this harmful tax.

If the HIT is allowed to return as scheduled on Jan. 1, 2018, 156 million Americans will face nearly \$22 billion in higher premiums next year. In North Dakota, the tax will increase premiums by \$54 million next year.

North Dakota businesses that provide vital services, offer employment across the state, and contribute significantly to North Dakota's economy will be among those hardest hit. Large employers in the state will face premium increases of \$518 per family coverage policy, while small businesses and their employees will face premium increases of \$479 per policy.

For businesses like us, those higher health care costs could force us to reduce benefits, cut jobs and even shut our doors. This tax is bad for business, bad for North Dakotans and bad for the state.

That's why your effort to protect businesses and residents is so important. We applaud your leadership and commitment to putting the needs of North Dakota first. We stand ready to work with you and your colleagues to advance this vital legislation.

Sincerely,

Kim Schneider, North Dakota Association of Builders
Mike Rud, North Dakota Retail Association
North Dakota Petroleum Marketers Association
North Dakota Propane Gas Association
Mark Watne, North Dakota Farmers Union
Craig Whitney, Fargo-Moorhead-West Fargo Chamber of Commerce
Barry Wilfahrt, Grand Forks & East Grand Forks Chamber of Commerce
Connie Ova, Jamestown Stutsman Development Corporation
Kent Kirkhammer, NewKota Service and Rentals
Dustin Gawrylow, North Dakota Watchdog Network